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Government gas bans threaten power supply and clean energy future

A shortage of gas could soon result in blackouts the Australian Energy Market Operator confirmed today, in the same week new bans on gas development and exploration were introduced in Victoria.

The Australian Energy Market Operator (AEMO) today released its Gas Statement of Opportunities (GSOO) which predicts gas supply shortfalls within two years in Australia's southern states.

Energy Networks Australia CEO John Bradley said state government intervention is undermining Australia's energy security and carbon abatement goals by reducing the amount of gas available for use in Australia.

"The Victorian Government has extended bans on gas exploration and development in the same week the independent Market operator warns of gas shortages and blackouts for customers," Mr Bradley said.

"Some Australian governments are sleeping through their wake up call on energy security."

Mr Bradley said extended bans in Victoria were particularly concerning given gas was vital to Victorian households, manufacturers and power system security.

"Victoria has Australia's largest manufacturing sector dependent on gas, and almost two million households relying on natural gas for hot water, heating and cooking.

"Victoria is also about to lose 14% of its firm power generation capacity when the coal-fired Hazelwood Power Plant shuts down."

Mr Bradley said AEMO's report highlighted the need for governments to provide an integrated energy plan, given secure electricity was dependent on secure gas supplies.

"Gas is a low emission fuel that can help Australia achieve its carbon abatement targets but government intervention is damaging its potential," he said.

"Gas used in efficient gas-fired power generation has less than half the emissions of current coal fired power generation.

"Without a national, technology neutral carbon policy and with continued State bans on gas, Australian customers face a less reliable, higher cost and higher emissions future."

Mr Bradley urged governments to adopt an evidence-based national approach to gas exploration and production, as recommended by the Academy of Technological Science and Engineering.

"Governments should listen to the science and act on the evidence to increase supply and put downward pressure on gas prices."

The Energy Networks Australia submission to the *Independent review into the future security of the National Energy Market* can be downloaded [here](#).

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Energy Networks Australia represents Australia's electricity transmission and distribution networks and gas distribution networks. Our members provide energy to virtually every household and business in Australia.